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## GOVERNOR BARBOUR ANNOUNCES PLAN TO RESTORE RENTAL HOUSING

Update: \$869 Million Distributed to 12,413 Families in Housing Assistance

(Jackson, Mississippi) – Governor Haley Barbour today announced the opening of a public comment period for a \$262.5 million plan designed to restore affordable rental housing units in the coastal counties most affected by Hurricane Katrina.

“I want to thank the many partners who have helped develop this plan to assist in repairing and rebuilding the affordable rental housing stock that was largely destroyed by Katrina in Hancock, Harrison, Jackson and Pearl River counties. By implementing the Small Rental Assistance Program and reaching out to rental property owners, we hope to provide additional options for affordable, quality housing for low- and moderate-income families in the Gulf Coast area,” Governor Barbour said.

He also issued an update on the state’s comprehensive Katrina recovery actions since Katrina struck on August 29, 2005. For example, Mississippi has distributed \$869 million in grants to 12,413 families to compensate for housing damage, Governor Barbour said. All told, 18,753 applications have been received under Phase I of a homeowner grants program; 3,721 were found not qualified and are under consideration for other programs. Of the 15,032 remaining, 14,292, or 95%, have been notified to close and 13,546, or 88%, have closed. Grants have actually been paid to more than 91% of homeowners who have closed. A total of 740 grants are in process.

Governor Barbour said more than one-half of Mississippi’s pre-Katrina public housing units have been rebuilt and are occupied, and \$100 million has been distributed to public housing authorities to rebuild all of the public housing stock.

In addition, a pilot for financial counseling and grant closing has begun for Phase II applicants. To date, more than 10,000 homeowners have applied or rolled over from Phase I. The state’s second homeowners’ grants program is targeted to low, moderate and workforce income homeowners who had a loss, regardless of their flood zone or insurance status.

“Today, we release for public comment our plan to build, repair, or rebuild as many as 5,000 units of affordable rental housing. This is the latest in a series of actions to help rebuild the housing stock in South Mississippi and to move people out of temporary housing,” Governor Barbour said.

The Small Rental Assistance Program, part of Mississippi’s Katrina recovery plan, will provide forgivable loans to owners of small rental properties – defined as four or fewer units – to develop more affordable rental housing as soon as possible. Rental rates must

be affordable as defined by the U.S. Department of Housing and Urban Development and/or the Mississippi Development Authority, which will manage the program.

An estimated 71,116 renter-occupied housing units statewide were damaged or destroyed by Hurricane Katrina. This program will offer loans up to a total of \$30,000 per unit to eligible owners of small rental properties in Hancock, Harrison, Jackson and Pearl River Counties to repair or replace lost or damaged units. An income subsidy for existing rental properties is also offered. A completion bonus is also offered for repair and new construction.

Administrators expect about 5,000 affordable rental housing units to be built or repaired under this program. Units would be available to tenants with income at 120% or less of Area Median Income (AMI), with 51% of them reserved for tenants with 80% of AMI. For a family of four the 120% AMI income is \$57,825 in Hancock and Harrison counties, \$60,450 in Jackson County, and \$46,575 in Pearl River County.

This action plan, as well as a complete schedule of income limits and rental rates for each of the four counties, will be available for review online at [www.mississippi.org](http://www.mississippi.org), where instructions for comments are included. Public comments will be received through May 15, 2007. Comments may also be faxed to 601-359-9280.

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